

A special budget meeting of the Royal Oak City Commission was held on Tuesday, May 17, 2016, in the city hall, 211 Williams, Royal Oak. The meeting was called to order by Mayor Pro Tem Fournier at 6:00 p.m.

ROLL CALL	PRESENT	ABSENT
Mayor		Ellison
Mayor Pro Tem	Fournier	
Commissioners	Douglas	
	DuBuc	
	Mahrle	
	Paruch	
	Poulton	

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PUBLIC COMMENT

Mr. Ron Wolfe, 333 N. Troy, noticed the library steps were not made of steel. There should be a “no skateboarding” sign. He noted the town hall meeting was moved to Churchill and that it was renamed from Central Park to Greenspace.

City Manager Johnson clarified that there was no name. Central Park was what it was called during the presentation.

Mr. Wolfe stated he tried to contact Mr. Boji and Mr. Surnow but hasn't received a return call. He didn't like that questions had to be submitted on cards with no chance for discussion. It wasn't democratic.

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COMPLETE THE SPECIAL REVENUE FUNDS

Director of Finance Rudd continued the budget discussion with the senior citizen services fund. Janitorial services were budgeted to increase.

Commissioner DuBuc suggested performing a cost benefit analysis to see if they would save money or receive greater value from in-house staff versus an outside contractor.

Ms. Rudd moved on to the animal shelter fund. If revenues in 2017/18 continue at \$65k the fund would be in a deficit position which they can't legally allow. The revenue was all from donations. Resurfacing the access road and parking lot was in the 2016/17 budget but it didn't make it to any departmental budget.

The county was willing to take over, meaning the shelter would close and the county would handle licensing. Royal Oak shares an animal control officer with Berkley.

Suggestions to increase revenue included looking at grants and asking individuals if they would like to make a donation to the shelter when renewing their dog licenses. Converting the ROOTS foundation to a 501(c)(3) could help with donations.

Ms. Rudd moved on to the DDA TIFA fund. Use of fund balance for 2016/17 was budgeted at \$418k. The drop in expenditures was the result of capital projects being completed.

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ENTERPRISE FUNDS

Arts, Beats and Eats parking revenue, contracted services and overtime were budgeted to increase.

In recreation adult fitness revenue was budgeted to decrease due to lower demand. They continue to operate at a deficit.

Commissioner DuBuc left the table at 6:36 p.m. and returned at 6:38 p.m.

Lack of diversity in programming was cited. They need innovation in programing. They need to change with the times. Aggressive marketing and the ability to sign up, schedule and pay for classes online could help. They need to accommodate trends in all age brackets. Are neighboring communities also suffering? Was there a need for programs previously offered? Could Insight do with an update?

The chamber offers welcome packets. Perhaps they could provide them with an insert about recreation programs.

The auto parking fund budget assumes \$10.5 million in bond proceeds and \$2 million in cash to construct a parking structure at Second Street. Budgeted revenue for the Second Street lot is budgeted to decrease due to the construction during the fiscal year. Two capital improvement projects are budgeted.

In the water/sewer fund, engineering's portion of personnel costs were budgeted to increase due to estimated allocation of engineering personnel's time. In the administration portion of the fund the water and sewage commodity rates are budgeted to increase 3.3%. Flat rate billing was budgeted to increase from \$10.75 per quarter to \$11.25 for the purpose of recouping water billing costs. Water billing was budgeted to increase due to a portion of the new accountant position and changing the cashier II to a cashier III being charged to the cost center.

There were no significant revenue changes in the ice arena fund. Painting of the interior and exterior of the building was scheduled.

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INTERNAL SERVICE FUNDS

The IT fund includes the addition of a full-time GIS coordinator position and six months funding of a second network administrator position in the event the current network administrator retires.

It was requested that staff e-mail instructions to the city commission on how to log into the city website and how to hit play from e-mail to listen to voicemails.

In the motor pool fund vehicle rental charges were increasing. Fuel revenue was budgeted to increase.

An evaluation of vehicles such as the Volt or Cmax for vehicle replacements was requested. They could possibly check with IICMA.

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OTHER

Mr. Johnson stated the next step was to determine if they needed another budget meeting. The public hearing was set for June 13. They'll adopt the budget after the public hearing.

Changes to the strategic planning process were briefly discussed.

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CANCELLATION OF MAY 26 BUDGET MEETING

Moved by Commissioner Poulton
Seconded by Commissioner Mahrle

Be it resolved the city commission hereby cancels the May 26, 2016 budget meeting.

ADOPTED UNANIMOUSLY

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Upon motion of Commissioner Mahrle, seconded by Commissioner DuBuc, and adopted unanimously, the special budget meeting was adjourned at 8:19 p.m.

Melanie Halas, City Clerk

The foregoing minutes of the special budget meeting held on May 17, 2016, having been officially approved by the city commission on Monday, June 13, 2016, are hereby signed this thirteenth day of June 2016.

James B. Ellison, Mayor